

M e m o r a n d u m

To: Panel Members Date: January 26, 2007

From: Dolores Kendrick, Manager Agr. No.: ET07-0288

Analyst: N. Weingart

Subject: SMALL BUSINESS AGREEMENT WITH 100 OR FEWER EMPLOYEES

CONTRACTOR:

- Contractor's Legal Name: Oasis Air Conditioning, Inc.
- Type of Industry: Construction
- Nature of Business: Heating and Air Conditioning
- Contractor's Number of Full-Time Employees: 47
 - *Number to be trained:* 28
- Turnover Rate: 5%
- Repeat Contractor: No

CONTRACT:

- Training Project Profile: SET-Workers In High Unemployment Areas
- ETP Funding Amount: \$43,680
- Employer Contribution: \$30,240
- Average Cost per Trainee: \$1,560
- Range Of Hourly Wages At Retention: \$12.38 to \$26.00
- Health Benefits: \$1.00
- Occupations to be Trained: Service Technician, Installer
- Training Menu: Commercial Skills
- Range of Hours: 8-60
- County(ies) Served: Kern
- Union Representation: No
- Subcontractors: N/A

COMMENTS

This Agreement will provide funding for journey level upgrade training.

Unemployment Insurance Code, Section 10200 (a)(4) states in part that it is the intention of the Legislature that programs developed pursuant to this Chapter shall not replace, parallel, supplant, compete with or duplicate in any way already existing approved apprenticeship programs.

The ETP Apprenticeship Training Policy states in part:

“When journey-level upgrade training is being considered for trades with DAS approved apprenticeship programs, the following shall apply:

A. The applicant seeking the contract must be a DAS approved apprenticeship program or be participating in a DAS approved apprenticeship program; or

B. **Journey-level workers** receiving the training must have completed a DAS approved apprenticeship program **—or- have worked the equivalent number of hours required by the DAS for completion of an apprenticeship in the industry in which they are to receive training.**”

Information from a representative of the Los Angeles & Orange Counties Air-Conditioning & Refrigeration J.J.A.T.C. (which oversees the Kern Country program) indicates that the apprenticeship program for occupations in this industry is comprised of 5 years of classroom and on-the-job training.

Therefore, for purposes of this contract, only workers who have been employed five years or longer in the heating and air conditioning industry and are considered journey level workers are eligible to participate in the ETP training program.

In addition, training under the Special Employment Training (SET) category is for frontline workers only; managers and supervisors are not eligible to participate in training.